Federal Corporation Tax Will Means to Get at the Corpora-Purnish Means to Get at the Corpora-tions and State Income Tax a Plan to Leave None Too Rich for Safety.

DENYER, Sept. 21.—The welcome that sident Taft got from Denver was

For ten miles or more the President de through streets packed to the curbs, nd in the evening he faced an audience of 12,900 in Denver's great auditorium while thousands more blocked the street taide and fought for admission. Alfred Bent presided at the big meet

luced the President. Mr. Bent had written a fine long speed and had committed it to memory so well that he could not sidetrack himself. He ad just finished a long eulogy of the resident and there wasn't a handclap. le waited a few seconds and then went

ntaneous outburst of enthusibut that was as far as he got. The big crowd shouted with laughter and the President himself almost doubled

up with glee. Mr. Bent wasn't fazed for a minute He wandered on through flowery fields of oratory, and finally the crowd began to cheer and applaud ironically at the end of every sentence. Several local com-mitteemen tugged at Bent's coat tails, but on he went.

Finally his voice was drowned in ult and he made way for Mr. Taft. The President's face was red from laugher as he stepped forward. Said he.

"You seem to be disposed to take greater part in the proceedings than audiences usually do where I came from." In his speech the President exrested himself for the first time since ntering the White House on the subect of swollen fortunes. He declared hat he holds the same views now that

"It seems to me now, as it did then," aid he, "that the proper authority to educe the size of fortunes is the State ather than the central Government.

"Let the State pass laws of inheritance with the light state of the state pass laws of inheritance with the light state."

ich shall require the division of great rtunes among the children of the de-dents and shall not permit a multi-illionaire to leave his fortune in trust so as to keep it in a mass; make much sore drastic the rule against perpetun impose a heavy and graduated eritance tax, which shall enable the tate to share largely in the proceeds f such large accumulations of wealth ich could hardly have been brought

out save through its protection and aid. "In this way gradually but effectively he concentration of wealth in one hand or a few hands will be neutralized and the nger to the republic that has been an-paied by a continuation through genations of such accumulating fortunes

The President was speaking on the cor ration tax and proposed income tax ent. His Denver speech was the out one of the set speeches that he

rill deliver on his Western trip. He started out from Boston with the ingress and of informing the voters of his

With the delivery of the corporation ad income tax speech here to-night the resident has freed his mind of everything pt his plans for the conservation of nation's natural resources. He will deliver a speech on that subject within a

desirable than a direct personal income

He declared that if the income tax mendment is adopted by the States andholders will be included in the operaon of the law. The only reason that the su interest of bondholders wasn't taxed, as In the President explained, was that such a op levy would be unconstitutional under the supreme Court's income tax decision.

The President admitted frankly that

tri the corporation income tax was a com-promise measure adopted by the Repub-de licans to prevent the passage by Congress

enjoys under a corporate form, first in that the individuals who really own the business ion have only a limited liability and are no eyond their stock investment, or in son States more than 100 per cent. beyond their stock investment, and on the other hand, the advantage of a permanent establishment in the business because no matter whether the present owners and managers die or not, the business continues in its corporate form without a settlement thereof in the administration of the estate of the deceased

Again, objection is made that the tax is really a tax upon the dividends of the cor-poration and that in the stock of the corporation may be interested a great many people having but little property, widows, orphans and others. I am not disposed to deny that theoretically it would be better those having large fortunes than upon those having only a competence. As I shall elaborate further on, I am very much opposed to exempting incomes above the actual living wage, because I think every ne in the Government ought to pay something toward its sustenance, because every one derives benefit from it, and while an ncrease in the percentage of the tax as the ortune of the individual taxed increases s fair, it is fair because the burden of the exaction at the same rate is heavier upon man with a small income than upon a nan with a large income or fortune.

Still it is not practical with such a tax as the corporation tax, where you tax the source of the income before it reaches the individual who is to pay the tax, to impose a graduated tax, and the tax upon the net earnings of the corporation of 1 per cent. or 2 per cent. is so small that small holders of the shares will feel the burden to be very light. In all probability it will hardly affect their dividends at all, because most corporations do not declare all their earnings in dividends, and will

mply take the tax out of the surplus. We have had very little experience with neome taxes in this country, but those we have had have shown the inquisitorial feature of the tax to be most harassing, that is the power given to collectors of internal revenue and deputy collectors look into a man's private affairs and to

Moreover the most objectional feature of the tax is the premium upon perjury which it offers to those who are willing to conceal their income—a matter not at all difficult to do—and who thus subject to a much heavier proportionate burden those who are conscientious in making their returns and who pay the tax as the law

Another criticism of the corporation ax in the present bill is that only shares of stock in corporate enterprises are thus cured by mortgage upon the entire prop-

erty or plant of the corporation do not pay any tax at all.

This is true, and the defect was fully recognized by those who drafted the corporation tax. They would have been glad if possible to impose a tax upon the bondholders, who are only less interested in the earnings and success of the corporations than are stockholders. But the difficulty of including them and of collecting an income tax proportioned to a percentage an income tax proportioned to a percentage of the interest to be paid on the bonds from the corporation before the payment of interest on the bonds was that Congress could not authorize a corporation to retion of giving the public his views of legislation of the last session of Conforming the voters of his parameter of recommendations for the last session of the last session of the interest to be paid, because thus to impose a tax on the bondholder proportioned to the interest he received would be in violation of the Constitution as inerpreted by the Supreme Court.

If an income tax amendment is adopted t will be possible to add to our corporation tax the feature of imposing a tax on the bondholder's interest in that corporation by a percentage tax upon the interest to be paid to him. This would make the cor-poration tax a more beneficial measure and to In his speech here to-night the President cached, because under modern systems of financing corporation by the systems of financing corporation to the systems of financing corporation. sense joint investors and a corporation in-come tax ought to include them all.

Another feature of it is that incidentally

it will give the Federal Government an op-portunity to secure most valuable information in respect to the conduct of corpora-tions, their actual financial condition, which they are required to show in a public re-

Up to this time we have no adequate statistics concerning our corporations. Even the stockholders, whatever their right

authorizing the general Government to impose an income tax without apportioning it as a direct tax according to the speech was well received by the speech was well received by the speech was well received by the great audience.

The President's address in part follows:

Complaint is made that the corporation aw is discriminating in that it taxes business conducted under a corporate form, whereas when the business is conducted by a partnership it escapes taxation altogether. The justification for the distinction arises from the advantages which the business enjoys under a corporate form, first in that who gathered about the end of his car.

took occasion to congratulate the women who gathered about the end of his car upon the fact that they lived in a State where they were able to vote.

At Limon a reception committee from this city headed by Senator Hughes and Gov. Shafroth met the President's train. The booming of a cannon on a hill outside the city announced the arrival of the train, and from that time until the President sought Senator Hughes's house at midnight he was received with flattering enthusiasm.

at midnight he was received with intering enthusiasm.

If the middle West is a trifle cool over the President's tariff speech the frost certainly hasn't hit Denver.

The President on his drive through the city was escorted by a company of Regular troops, a brass band and many carriages filled with high hatted local committeemen. All the Denver public schools were closed and most of the stores had locked their doors. The school children were gathered several thousand strong in front of the Capitol. They waved flags and showered the President with bouquets.

Gov. Johnson had been hovering between life and death for several days, and the final sinking spell began early last evening. Mrs. Johnson and the Drs. Mayo, who performed the last operation, were at the bedside when the end came. Gov. Johnson was conscious almost to the last.

MINNEAPOLIS, Sept. 21.—John A. Johnson's body will lie in state to-morrow in the rotunda of the Capitol and the people of Minnesota will have a last opportunity to look upon his face. The body arrived

strong in front of the Capitol. They waved flags and showered the President with bouquets.

A feature of the parade was a party of fifty sheriffs and deputy sheriffs from the counties through which the President will pass in the State. The sheriffs and their assistants were dressed in cowboy costume with things that looked suspiciously like six shooters peeping from their belts. These sheriffs followed just behind the Taft party in the parade. They will take care of Mr. Taft while he is in the State.

A half hour's rest at Senator Hughes's nome and the President was hurried to the Capitol. In the Governor's room he met the State officials, and then for two hours he stood in the corridor of the Capitol flanked by secret service men shaking hands with the public.

Several thousand persons filed past and were introduced to the President. Among others were the Denver letter carriers, 2,000 of them; the Denver Yale Club and about half a dozen of Mr. Taft's old classmates in high school. The President looked tired but happy when it was over. The President got a fine reception when he entered the big auditorium.

Everybody in the big auditorium had

Everybody in the big auditorium had an American flag and 13,000 of them waving at once made a striking scene. As the President stepped upon the platform a big American flag was unfurled and from its folds dropped a shower of roses.

The President will take breakfast with Thomas F. Walsh at Wolhurst tomorrow morning, leaving there at noon morrow morning, leaving there at noor for Colorado Springs and Pueblo

JAMES D. SMITH DEAD. Was Prominent as a Banker and as

STAMFORD, Conn., Sept. 21.-James D. York Yacht Club, died at 4 o'clock this afternoon at his residence, Linden Lodgecommodore Smith was 77 years old. His death resulted from a complication

James Dickinson Smith was born in Exeter, N. H., November 24, 1832. His ather was the Rev Dr. John Smith, a Congregational clergyman. He was educated at Wilton Academy, at Wilton, Conn. In his young manhood he went o New York and established the banking firm of Jameson, Smith & Co., which subsequently became James D. Smith & Co., with offices at 71 Broadway. He was president of the New York Stock

was president of the New York Stock Exchange in 1885-86.

His connection with the New York Yacht Club began March 27, 1873. In 1882 he was made commodore of the club, and for thirteen years was chairman of the America's cup committee. During his chairmanship three British challengers, the Galatea, the Thistle and the first Valkyrie tried for the cup, but lost to the Mayflower, the Volunteer and the Vigilant.

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Commodore Smith's yachts have been figures in the harbor here for years. The first was the schooner Escert, the second was the steamer Ialia. He owned subsequently the schooner Estelle, the sloop Pocabontas and his latest yacht the Viking. He had been closely identified with the history of Stamford since he became a resident here, fifty years ago. He was no of the founders of the Stamford Coach Club. He was an incorporator of the Stamford Hospital, of which since its inception he was an officer, director and generous supporter. He served for several years as town councilman at large. He represented Stamford in the State Legislature, was State Treasurer and his name had been connected with every local movement of a patriotic or philanthropic mature.

ovement of a patriotic or philanthropic He was a member for forty-five years statistics concerning our corporations. Even the stockholders, whatever their right may be to know the course of business of corporations, are generally in a state of complete ignorance, and any instrumentality by which the corporations shall be compelled to disclose with accuracy a general statement of their condition certainty makes for the public good.

Indirectly it would help very much in another revision of the tariff, whenever poration.

The President admitted frashly that prevent the adversary and the first prevent the property of the proposition of the proposition of the proposition of the p

ROCHESTER, Minn., Sept. 21.-John A. sota, and one of the most popular men who ever lived in the State, died at 3:20 his morning in St Mary's Hospital.

tion for which he underwent four operations, the last about a week ago. Gov. Johnson had been hovering be

to look upon his face. The body arrived in St. Paul on a special train at 5 o'clock

On the verge of nervous prostration and under the care of physicians, Mrs Johnson gave directions to-day for her husband's funeral and insisted that the body be taken to St. Paul at once.

"John did not belong to me alone, said Mrs. Johnson, "but to the State of Minnesota. I owe it to the people that he be taken to St. Paul, where the good people of the State may see him. If he were mine alone I would take him at people must be respected."

Against the advice of physicians and friends, Mrs. Johnson insisted on accompanying the body of her husband to St Paul. The special train was met by four companies of militia and the body was escorted to the State Capitol. It will be guarded to-night by the soldiers.

At some time to-morrow the Rev. J. J

Peter, Minn., July 28, 1861, of Swedish parentage. His father, Gustav Johnson was by trade a blacksmith. His mother was Caroline Haden.

John Johnson was the second son When he was 3 or 4 years old his parents left the farm near St. Peter and took up Smith, head of the New York Stock Ex-change house of James D. Smith & Co. The time of their removal thither was and at one time commodore of the New only a year or two after the New Ulm massacre when the Indians fell upon the raw Minnesota town, unprotected because it had sent its young men South in the Union army. The massacre was near enough to St. Peter to make a move into

By the time John reached his thirteenth year his father, suffering from alcoholi c dementia, was sent away to the county poorhouse, where not long afterward

he died.

John left school forthwith. His mother had ambitions for him and wanted the thirteen-year-old boy to get some learning before he undertook to earn a living, but John refused. He went to work but John refused. He went to work as a clerk in a grocery store, supplementing as best he could what his mother made taking in washing. Two years later he switched to a drug store and managed to make enough money to release his mother from drudgery. When John was 20 years old he was offered a took in a general store at an advance of

succeeded in making friends with every-body in town.

When he was 25 the St. Peter Herald was in need of an editor. Four well to do Democrats turned to John Johnson as the best man they could think of. He had never done a bit of newspaper work, but he took the position. He succeeded because he was aware of everything that went on in St. Peter and knew what the people wanted to read.

recovered from the same corporation large ore fields.

Democrats looked to John A. Johnson a year and a half ago as a possible nominee for the Presidency instead of William Jennings Bryan. In March. 1908, the State convention of Minnesota gave his candidate on the month before that he was not in line for the nomination. He maintained a place in the race for the nomination and his name was voted upon at the Denver convention. The Bryan fever took hold of the delegates, however, and Johnson got only 46 votes.

On August 19, 1908, Minnesota Democrats nominated him for a third term as Governor with the utmost enthusiasm, and the next day Gov. Johnson accepted the nomination. He was elected.

The acceptance, according to statements made by his friends, was a reversion to a plan to make him a Presidential candidate in 1912, with the interval between his term as Governor and the campaign passed in the United States Senate. He was determined not to stand for a fourth term as Governor.

Charming personality, a frankness and common ansense that wen over his natural political opponents, and he made an efficient and most courageous public official.

That a man of his power and of his capacity for great public usefulness should be taken now at the age of 48 shou

pleasant personal relations with the Gov-ernor, and although we differed politically we agreed on a great many subjects, as I had reason to know from personal conver-

He was a wonderful man. He had a charming personality, a frankness and common sense that wen over his natural political opponents, and he made an efficient and most courageous public official.

That a man of his power and of his capacity for great public usefulness should the taken new of the same of the should be taken new of the same of the should be taken new of the same of the sam

SCHOOL days are the days when most of the important habits of life are formed. Teach your

Tooth Powder and they will some day rise to

call you blessed. It cleanses, beautifies and preserves the MINNESOTA'S NEW GOVERNOR. teeth and imparts purity and fragrance to the breath.

was determined not to stand for a fourth term as Governor.

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